

LAW AND PUBLIC SAFETY

NEW JERSEY RACING COMMISSION

Horse Racing

Daily Double

Declaration of a Race a No Contest

Proposed Amendment: N.J.A.C. 13:70-29.48

Authorized By: New Jersey Racing Commission, Frank Zanzuccki, Executive Director

Authority: N.J.S.A. 5:5-30

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2003 - 320

Submit written comments by October 3, 2003 to:

**Frank Zanzuccki, Executive Director
New Jersey Racing Commission
P.O. Box 088
Trenton, NJ 08625-0088**

The agency proposal follows:

Summary

The New Jersey Racing Commission (Racing Commission) is interested in obtaining public comment regarding the proposed amendment to N.J.A.C. 13:70-29.48, Daily Double. The proposed amendment would require the stewards to declare a race a no contest when the condition of the turf course warrants a change in racing surface to the dirt course, and such a change was not known to the betting public prior to the close of wagering for the daily double.

Races moved from the turf to dirt course would be considered void for wagering

purposes and would not be counted for or against the bettor because the amount of no contest races declared.

Currently, bettors who wager into multiple leg pools such as the daily double are at a disadvantage because they are forced to continue a wager which was handicapped specifically for the turf course which is now to be run on the dirt surface after the wager was made and close of betting has occurred. If while wagering is open, a surface change occurs, bettors can either keep or change their selections at any time before the wagering windows close.

Race handicappers realize certain horses are bred to run on the turf and consider it an important element in deciding their selections. Non-programmed surface changes puts them at a disadvantage since the breeding of a horse selected is no longer a factor as a result of this amendment.

The proposed amendment would declare races moved from the turf to the dirt surface after wagering has begun a no contest for daily double wagering purposes, thus eliminating the disadvantage that currently exists.

When a no contest(s) race(s) occurs, the wagering pool will be distributed consistent with the existing provisions of the rule.

This amendment will benefit true handicappers of turf races by not binding them to a contract that no longer includes the programmed surface of a race wagered.

As the Racing Commission has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

The social impact of the proposed amendment will be positive by allowing patrons who handicap horses they deem “turf runners” the benefit of not being obligated to continue a wager on a runner who is no longer participating on a racing surface which was factored into his or her original selection.

Economic Impact

The proposed amendment will likely have an economic impact on the individual bettors of the daily double pools. A positive economic impact will be realized to wagerers who selected a horse to race on the turf that did not win the leg of the continuation pool moved to the dirt surface because the race was declared a no contest by inception of the proposed amendment, would have the odds of winning such a pool increased.

A negative economic impact will be realized by patrons whose horse which was handicapped for the turf course, win the no contest race which was moved to the dirt surface and in doing so would have to share the net profits of the pool with more winners.

Federal Standards Statement

A Federal standards analysis is not required because the rules of racing are dictated by State statute N.J.S.A. 5:5-22 et seq. and the proposed amendment is not subject to any Federal requirements or standards.

Jobs Impact

The proposed amendment will likely have no impact on the work force in the State. No jobs will be gained or lost due to the proposed amendment.

Agriculture Industry Impact

The proposed amendment will have no impact on the agriculture industry in the State.

Regulatory Flexibility Statement

A regulatory flexibility statement is not required because the proposed amendment imposes no reporting, recordkeeping or compliance requirements on small businesses as defined in the Regulatory Flexibility Act, N.J.S.A. 52-14B-16 et seq. The track associations affected by the amendment are not small businesses, as each employs more than 100 people full-time.

Smart Growth Impact

The proposed amendment will not have an effect on new growth into redevelopment of older urban and suburban areas, protect existing open space, conserve natural resources, increase transportation options and transit availability, reduce automobile traffic and dependency, stabilize property taxes or provide affordable housing. Therefore, the amendment will have no impact on the achievement of smart growth or the implementation of the State Development and Redevelopment Plan.

Full text of the proposal follows (additions indicated in boldface thus; deletions indicated in brackets [thus]):

13:70-29.48 Daily double

(a) - (e) (No change.)

(f) If the purchaser of a daily double ticket fails to pick the winner of the first half of the daily double, his contract is void, unless circumstances occur as described in [(m), (n), (o) an (p)] (n), (o), (p) and (q) below. If these conditions do not apply, then irrespective of what happens to the horse selected in the second half of the daily

double, there is no refund because the patron has failed to fulfill the first half of the contract which is to pick the winner of the first half of the daily double.

(g) - (j) (No change.)

(k) If, for any reason, the first race of a daily double is canceled [and] or declared ["no race",] a "no contest," a full and complete refund will be made of the daily double pool. If, for any reason, the second race of a daily double is canceled [and] or declared ["no race",] a "no contest," the daily double pool shall be distributed to the holders of the daily double tickets on the winner of the first race in the same manner as the straight pool of the first race is distributed, except as to the amount of distribution, which shall be controlled by the amount bet in the daily double pool.

(1) When the condition of the turf course warrants a change of racing surface and such change has not been made known to the betting public prior to the close of wagering for the daily double pool, the stewards shall declare the race a "no contest" for daily double wagering purposes and the pool shall be distributed in accordance with (k) above.

Recodify existing (l) - (q) as (m) - (r) (No change in text.)

Frank Zanzuccki, Executive Director